
Learning from Our Past Informing Our Future

A Retrospective Analysis

1985-1999

Reflecting on our past allows us to move forward with confidence and assurance – making decisions and employing resources that will help create a positive and sustainable impact on our society in the decades to come.

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Introduction: On the Road to Unleashing New Resources

To shape our future work and help inform the nonprofit sector as a whole, this study takes a look back. While the W.K. Kellogg Foundation has funded projects to build a strong and active civil society throughout its six decades of existence, this analysis focuses on the grant making activities of the Philanthropy and Volunteerism program area between 1985 and 1999. During this timeframe, our program area work remained in step with, and at times managed to influence, the growth of the nonprofit sector as a whole – a steep course that witnessed experiments, detours, heartening successes, and illuminating failures. We have learned a great deal about what it takes to advance the theory and practice of philanthropy and volunteerism, unleash new resources for the common good, and help people to help themselves.

This study examines the effectiveness of our past work and mines these years of experience for potential contributions to our collective know-how as a field. Its purpose is threefold: (1) assess the results achieved and lessons learned through past grant making activities; (2) illuminate the Foundation's role in shaping philanthropy and volunteerism; (3) inform the development of future strategies – both of our own foundation and those of other players working to build a stronger nonprofit sector. Mostly, we've learned by doing, and we hope our colleagues in all three sectors – business, government, and nonprofit – can apply this information as they do their good work as well, cultivating a spirit of giving, developing innovative programs, and providing opportunities for the unleashing of more human and financial resources for the common good of our society. Ultimately, we produce this report to help realize our vision: a mutually responsible and just society in which all have the ability and the means to contribute to the common good through volunteering and philanthropy.

We have learned a lot about what it takes to advance the theory and practice of philanthropy and volunteerism.

In the pages that follow, you'll read about the highlights of what our program area achieved and learned between 1985 and 1999, including the following initiatives:

- Building Bridges developed more comprehensive educational programs that respond to the wide range of management and leadership needs of Third Sector leaders.
- Emerging Funds for Communities of Color provided resources to identify, support, and share best practices for strengthening philanthropy in communities of color.
- Learning In Deed improved practice in the service-learning field through research and leadership development activities.
- Michigan Community Foundations' Youth Project involved youth in philanthropy, and it brought full community foundation coverage to the state of Michigan by means of a challenge grant and technical assistance program.
- Various efforts funded the building of the nonprofit sector's infrastructure and promoted the concept of social entrepreneurship.

Results and lessons have propelled our work into a single strategy of unleashing new resources.

In 1998, data for the retrospective analysis were collected through reviews of documentation, such as grant proposal reports and project evaluations. Interviews were conducted with nonprofit leaders, representing a diverse mix of former grantees of the Philanthropy and Volunteerism program area and other civil society leaders with a bird's-eye view of this work.

They were asked five core questions: (1) What has the Philanthropy and Volunteerism program area done, what kinds of investments have been made, and what kinds of strategies have been used? (2) What were the key outcomes and impacts of Philanthropy and Volunteerism's work? (3) What were the key learnings? (4) With whom and in what ways has Philanthropy and Volunteerism had the most significant impact? (5) Given this experience and the lessons learned, what should be Philanthropy and Volunteerism's strategic direction?

The interviews were conducted by Katie M. Goatley and Stephen J. Gill. The report was written and prepared by Goatley, Gill, and the W.K. Kellogg Foundation's Evaluation and Communication teams. The results of their retrospective analysis are presented in two sections. The first presents five findings that have emerged from research on past programming activities, formal evaluations, and interviews with grantees. The second section suggests future opportunities to leverage the successes achieved and apply what we have learned to help boost the performance of the philanthropy marketplace as a whole.

These results and lessons have propelled our work into a single strategy of unleashing new resources – working to “unleash” previously untapped or underused resources that we believe hold the greatest promise for contributing to the common good in a substantive way. Our world is changing rapidly, and so is our philanthropic sector. The story of our Philanthropy and Volunteerism program parallels the evolving story of philanthropy and volunteerism generally – adapting to the changing needs of people, organizations, and communities, extending our hands to youth, women, and communities of color, embracing new forces, new faces, and new forms as we do our work.

We invite our colleagues in the three sectors to partner with us in this endeavor, which recognizes that everyone gives time, money, and know-how. This art of giving continues to make real impact in the lives of real people in real communities across the globe. We welcome your thoughts and questions, which can be sent to: wkkfmail@wkkf.org.

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A Brief History of the Philanthropy and Volunteerism Program Area

*A review of the program's
history reveals a core
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“We regard philanthropy as a habit of the heart that should be learned early and practiced often.” These words, by W.K. Kellogg Foundation president and CEO Dr. William C. Richardson, capture both the spirit and intent of the evolving role of the Foundation’s Philanthropy and Volunteerism program area. A review of the program’s history reveals a core concept at work behind the entire sweep of activities: everyone gives, whether in time, money, or know-how. Animated by this belief, the program has sought to expand traditional definitions of philanthropy, involve new people in this work, and discover new ways to broaden and enhance philanthropic behavior. While much of the work remains focused on strengthening the infrastructure and leadership of the nonprofit sector, over time the program has extended its work to support philanthropic and volunteer activity within other sectors as well.

Although the Philanthropy and Volunteerism program area did not exist prior to 1990, the Foundation itself has been deeply involved in the work of philanthropy and volunteerism over the past six decades. From the 1950s through the 1970s, the Foundation helped to increase the number of volunteers across the country by supporting Governor George Romney’s National Volunteer Center (formerly National Center for Voluntary Action) and giving the United Way of America sizable grants to establish training programs for volunteers. In the 1980s, the Foundation helped to build the infrastructure of the nonprofit sector by supporting the formation of INDEPENDENT SECTOR, the premiere national organization working to build the capacity of nongovernmental organizations (NGOs) in the United States. Beginning in 1988, the Kellogg Foundation supported innovative examples of youth service programming, which have informed public policy and served as models for the passage of the National and Community Service Act of 1990. This legislation provided federal funds for the growth of youth service and service-learning.

In 1990, the Foundation recognized the importance of this strategic giving to build a civil society and made Philanthropy and Volunteerism a formal program area. This formalization led to increased focus on planning for the future of the sector. The Philanthropy and Volunteerism program helped nonprofit organizations and the government design prototypes for service-learning projects, and it was instrumental in supporting National Volunteer Center. During this time, university-based higher education programs in nonprofit management were being established to develop the capacity of nonprofit organizations.

In the early 1990s, the concept of philanthropy and volunteerism continued to grow in scope and stature. In 1992, the first in a series of sessions for nongovernmental organizations was held in Salzburg, Austria. The Salzburg Seminar, funded by the Kellogg Foundation, has now become one of the premiere places for civil society leaders from around the world to gather and share ideas. The Foundation also informed the passage of a second National and Community Service Act in 1993, which established the Corporation for National Service, the administrative home of the AmeriCorps program.

Enough progress had been made by the mid-1990s that the Foundation's Philanthropy and Volunteerism team was able to demonstrate that a stronger nonprofit sector had begun to emerge. But it was also during this period that the controversial Istook Amendments (known for their sponsor, Oklahoma U.S. Representative Ernest Istook) threatened to stop publicly funded nonprofit organizations from engaging in public policy matters. The amendments sought to curb already limited nonprofit advocacy activity and end any attempts to inform or influence federal legislation—or educate the public about policy issues. Large and small nonprofits alike faced the real prospect that they would no longer be able to disseminate knowledge or use education as an agent for change. The proposed amendments galvanized the nonprofit sector, and the amendments ultimately failed.

Timeline

- 1986 Philanthropy and Volunteerism becomes “emergent program”
 - 1988 Founding grant to BoardSource (formerly National Center for Nonprofit Boards)
 - 1990 Philanthropy and Volunteerism becomes full program area
 - 1990 Grant to INDEPENDENT SECTOR on giving and volunteering
 - 1992 Support for Salzburg Seminar begins
 - 1993 Grant to Brown University helps start Corporation for National Service
 - 1994 \$12 million appropriated for Michigan Community Foundations' Youth Project
 - 1995 INDEPENDENT SECTOR receives grant to inform debate on Istook Amendments
 - 1996 National Youth in Philanthropy Conference
 - 1996 Points of Light Foundation receives grant to work on institutionalizing family volunteerism
 - 1997 Establishment of Association of Small Foundations
 - 1997 Service-Learning Summit
 - 1998 Wingspread Conference on Social Entrepreneurism
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The late 1990s was a time of reflection for the Philanthropy and Volunteerism program area. Many funded programs had been in place for a substantial period of time, and the sector was poised to reap the fruits of its labor. It was also a time to investigate new forms of philanthropy, such as social entrepreneurship and venture philanthropy. The Philanthropy and Volunteerism program worked to widen the traditional view of what community means. Giving technology grants to organizations that sought to connect communities of similar interest across geographic boundaries are one such example.

The W.K. Kellogg Foundation has long recognized the importance of a civil society, and the Philanthropy and Volunteerism program area has worked throughout its existence to help build one. Today, by drawing on lessons learned, the experiences of program directors, and valuable input from grantees, the Philanthropy and Volunteerism program continues to evaluate its effectiveness and seeks innovative ways to drive toward greater improvement through informed retrospective, new knowledge, and more sophisticated ways of modeling the future.

Advancing Youth Service and Youth Philanthropy

The Foundation recognizes the value of youth empowerment and has supported efforts to give youth a greater voice in the nonprofit sector.

The Foundation's Philanthropy and Volunteerism program area uses a two-part approach to work with youth: (1) youth philanthropy, recognizing the potential that this large audience has to give and raise money; (2) youth service, believing strongly in the ability and desire of youth to engage in meaningful service through volunteerism and programs geared toward service-learning. At the same time, the Foundation recognizes the value of youth empowerment and has supported efforts to give youth a greater voice in the nonprofit sector at large.

The Philanthropy and Volunteerism program area initially became involved in youth philanthropy through the **Michigan Community Foundations' Youth Project**. This challenge grant program, through the Council of Michigan Foundations, was designed to involve youth in raising community foundation endowment dollars for the purpose of building youth funds. For every two dollars raised locally and placed in permanent endowment in a community foundation, the Kellogg Foundation pledged one dollar – up to \$1 million for every participating community foundation. The income earned was earmarked for grant making exclusively benefiting young people. Grants were made by Youth Advisory Committees, required to consist of at least 50 percent young people. Grants were targeted to programs that benefit families, children, and young adults. Initiatives involving young people in leadership roles or offering ample opportunities for young people to volunteer received top priority.

By the late 1990s, youth philanthropy was already well on its way to becoming a significant philanthropic force, particularly in the Foundation's home state of Michigan. By 1999, Michigan youth had helped to raise more than \$60 million for community foundations across the state, and youth advisory committees – which didn't even exist 10 years earlier – now numbered 86. The capacity of the Council of Michigan Foundations (CMF) is much greater today as a result of the Youth Project, and CMF has become nationally and internationally recognized as a leader in stimulating philanthropy.

Youth service grant making developed with the idea that young people can be challenged to voluntarily do work of real social value, learn practical job and life skills, and experience the personal satisfaction that comes from giving back to society. Service-learning supports the inclusion of volunteerism as a part of the educational curriculum. It includes active learning by students, interactive instruction by teachers, and greater involvement of both within the community. The service-learning concept was promoted through the **Learning In Deed** initiative. The initiative launched the National Commission on Service-Learning, which recommended ways to better institutionalize service-learning in K-12 curricula.

Between 1990 and 1996, the Foundation supported 31 service-learning projects. These projects have helped foster hundreds of service-learning efforts nationwide and have facilitated the expansion and networking of more than 50 service-learning organizations. Service-learning grant making has provided training to thousands of educators and youth volunteers, and it has significantly expanded the opportunities for student participation in service-learning.

Reviewing Results – Advancing Youth Service and Youth Philanthropy

The retrospective analysis identified a range of significant results that the Philanthropy and Volunteerism program and its grantees helped accomplish in the areas of youth service and youth philanthropy, including the following:

- The Michigan Community Foundations' Youth Project has *raised the visibility and credibility of volunteerism*, and it has built important pieces of technological infrastructure for foundations in Michigan.
- The very nature of community foundations has changed. One clear result is the *\$1 million endowment for youth* established by the Michigan Community Foundations' Youth Project. Michigan community foundation funds now exceed \$1 billion.
- A survey by the National Youth and Philanthropy Conference showed that a significant number of *attendees implemented what they had learned*. Similarly, the Kellogg Foundation has disseminated information about best practices on youth philanthropy and youth service, and it has provided models that others can use.
- The University of Maryland used a Kellogg Foundation grant to train *AmeriCorps project leaders*. This helped build advocates for service-learning legislation.
- The Kellogg Foundation's *investment in the President's Summit for America's Future*, along with the Pew Foundation, was a bold initiative of historical importance.
- Michigan Community Foundations' Youth Project was instrumental in *passing a new Michigan law* that lowered the voting age of nonprofit board members from 21 to 16. The project also contributed to the passage of the Michigan Community Foundation tax credit, a permanent tax benefit for both individual and corporate donors.
- Two grants to the National Youth Leadership Council have *helped create "generator schools,"* in which service-learning principles are taught to other practitioners.

The Michigan Community Foundations' Youth Project has raised the visibility and credibility of volunteerism.

Looking Back at Results and Lessons

- In 1988, the Kellogg Foundation began supporting *innovative examples of youth service programming*. These initiatives have informed public policy and served as models for the passage of the National and Community Service Act of 1990.
- The Kellogg Foundation has supported the establishment of *hundreds of service-learning program models* in secondary schools, colleges and universities, and community organizations nationwide.
- The K-12 Education in Philanthropy project has produced 250 *philanthropy lesson plans* and a like number of experimental learning projects at public and private schools.
- The K-12 Education in Philanthropy project has also produced a *database of more than 700 websites of organizations* with related service-learning interests. The project provides links to each website and a bibliography of key philanthropic literature. Field testing of curricula has begun in several states, and a website that is linked to key search engines is online.

Discovering Lessons – Advancing Youth Service and Youth Philanthropy

Many institutions have structures that are barriers to investment in youth.

Through its youth service and youth philanthropy work, the Philanthropy and Volunteerism program area and its grantees learned a number of valuable lessons, including these identified through the retrospective analysis:

- When youth are making decisions about money, they feel ownership and feel empowered to make changes. Youth programming should give youth responsibility for giving and the opportunity to use this responsibility wisely.
- Adults often resist involving youth in leadership roles. Youth programming should be designed to transform adult attitudes.
- Many institutions have structures that are barriers to investment in youth. Youth programming must also foster supportive systemic change.
- The philanthropic field does not fully understand the actual outcomes and overall impacts of investment in service-learning. Research should continue measuring these results.
- Isolated service-learning projects scattered around the country are not creating fundamental change in K-12 education. Youth programming must find ways to institutionalize service-learning in schools.

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- The Foundation recognizes that youth are a critically important service resource, and the potential in challenging young people to do work of real social value appears limitless. According to one grantee, “Everywhere you look at children serving, you see the trail of Kellogg.” The Philanthropy and Volunteerism program area should continue to expand and support service-learning projects and nurture networks. A key component of the youth service emphasis is the inclusion of volunteerism as part of the educational curriculum, and the teaching of practical job and life skills is an important outcome.
- The spirit of generosity is not innate; it has to be learned. Society has depended on the habit of giving being automatically transmitted by schools, in the home, and through worship, but these experiences are not sufficient to truly promote philanthropy among young people. Youth programming must take action to “encourage” giving.
- To develop the spirit and habit of giving, youth programming should involve youth in giving of their time and money as early as possible.

Boosting Nonprofit Capacity Through Leadership and Infrastructure

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The Kellogg Foundation believes that strong organizational capacity is essential to the sector's overall effectiveness and sustainability. Two closely connected strands of activity underscore Philanthropy and Volunteerism's commitment to building the capacity of nonprofit organizations: (1) good leaders and (2) solid infrastructure. Nonprofit organizational capacity doesn't just happen. Good leaders must be committed to building it, and an infrastructure must be in place to support it.

Leadership development and professional management training are key elements in the Foundation's strategy to boost organizational capacity across the sector. Projects that develop leaders help to ensure a continuous pipeline of trained individuals focused on improving the effectiveness of organizations. The **Building Bridges Initiative** was one such example. This broad-based program recognized the importance of developing more comprehensive post-secondary educational programs that responded to the wide range of management and leadership needs of nonprofit sector managers. The Building Bridges Initiative supported efforts that created two-way partnerships between universities and nonprofit organizations to develop skills, improve practices, and build knowledge for future nonprofit managers.

The initiative has succeeded in its goal of "building bridges" between academics and field practitioners. It has enhanced professional development through improvements in the quality of curricula for nonprofit managers, and it has expanded the number of study options within academic programs. The Foundation's input has caused academic institutions solely focused on management to begin concentrating on the broader development of leaders and organizations. The Foundation's Philanthropy and Volunteerism program area has helped build a reward system for professors who focus on the nonprofit sector, including the opportunity for tenure, as well as enhanced credibility within the academic community. With academics now empowered to do work in the nonprofit sector, the sector is becoming increasingly credible as an area of academic study within the university environment.

The Philanthropy and Volunteerism program's work building nonprofit sector infrastructure has focused on large support organizations that promote giving and volunteering nationally and internationally. The Foundation has helped create worldwide networks of nonprofit organizations, universities, and leaders focused on the sector's ongoing health, viability, and support from public policy. Examples of supported organizations include City Year, Points of Light Foundation, Corporation for National Service, INDEPENDENT SECTOR, Council on Foundations, the National Council of Nonprofit Associations, Foundation Center, BoardSource (formerly known as National Center for Nonprofit Boards), Council of Michigan Foundations, and Michigan Nonprofit Association.

Reviewing Results – Boosting Nonprofit Capacity Through Leadership and Infrastructure

The retrospective analysis of the Philanthropy and Volunteerism program area's work identified a range of results it helped to achieve, including a solid state and national infrastructure for the nonprofit sector, important changes in public policy, the publication and effective dissemination of information, and new and greater visibility for philanthropy and volunteerism as a whole. More specific outcomes achieved with the support of the Philanthropy and Volunteerism program include the following:

- The Building Bridges Initiative *expanded its participation* from an original list of 10 universities to 20 universities.
- Incentives for nonprofit-focused professors have *increased academic interest in the field*.
- The Kellogg Foundation has *inspired other funders*, such as the Pew Foundation, to support the training of nonprofit managers.
- The training of nonprofit managers has in turn *improved reporting and accounting* by nonprofit organizations.
- As a companion effort to Building Bridges, *nonprofit study centers are now emerging* on university campuses – such as Tufts University and Indiana University – that will have an impact on the entire campus. At Tufts University, studies have been conducted that would not have happened without Kellogg Foundation funding. The Tufts board has amended the university's mission to incorporate the concept of citizenship and community service. Tufts University has returned its 50-year-old Lincoln Filene Center to its original citizenship and public affairs focus.
- The University Press of New England published *a new book series* that focuses on nongovernmental philanthropic activity. Tufts University faculty members are engaged in writing the first book in this series, which will focus on civil society.
- Through funding to the University of San Francisco, the Kellogg Foundation has *developed a teaching resource center*, helping trainers and consultants to access information through the Internet and providing programs for directors of large nonprofit organizations. The University has also sponsored conferences and distinguished public lectures, and it has completed a research study of the nonprofit sector.
- With Kellogg Foundation funding, George Mason University has *built a comprehensive university program* that includes graduate, undergraduate, and certificate programs. And the university has demonstrated how graduate and undergraduate programs can work together.

Nonprofit study centers are now emerging on university campuses.

Looking Back at Results and Lessons

- The Foundation's Philanthropy and Volunteerism program area helped to *establish a department of public policy* within the Council on Foundations.
- By funding INDEPENDENT SECTOR, the Foundation has helped to *protect the right of nonprofits to engage in advocacy*, as INDEPENDENT SECTOR and Council on Foundations were instrumental in making gifts of appreciated stock a permanent part of the federal tax code.
- Kellogg Foundation funding has allowed the National Center for Nonprofit Boards and INDEPENDENT SECTOR to produce a *growing number of publications and project evaluations* to share with others.
- A Kellogg Foundation grant helped to *start the tax trends newsletter* published by the National Council of Nonprofit Associations.
- The Foundation was instrumental in *supporting the National Volunteer Center* (formerly National Center for Voluntary Action), and it funded the organization's network of nearly 300 local voluntary action centers. The purpose of these centers is to mobilize volunteers to address serious social problems.
- Foundation funding helped to establish the *nation's highest award for volunteerism* – the President's Voluntary Action Award, which has been given annually since 1982.
- In 1989, *President George Bush called upon the Kellogg Foundation* to advise him on the formation of the Points of Light Foundation.
- The Foundation was one of the *largest funders of the Presidents' Summit for America's Future*, an unprecedented gathering of the living U.S. Presidents and first ladies, to advocate service on behalf of youth. The America's Promise organization, chaired by Secretary of State Colin Powell, grew out of this effort.
- A Kellogg Foundation grant allowed the *National Center for Nonprofit Associations* to extend its scope.
- The Foundation's support *helped the Association of Small Foundations* grow from less than 100 members in 1997 to more than 1,800 members in 1999, making it the largest philanthropic infrastructure organization in the nation.
- The Foundation *helped CIVICUS* – a worldwide community of citizens actively engaged in confronting the challenges facing humanity – to reshape its organizational structure, develop a new strategic plan, and consolidate itself as a member organization. CIVICUS has helped to identify people and organizations for involvement in the Kellogg Foundation's international work. CIVICUS has also assisted countries in learning from each other through the funding of publications, research studies, conferences, and the formation of international organizations.

The Foundation's support helped the Association of Small Foundations grow from less than 100 members in 1997 to more than 1,800 members in 1999.

Developing leaders in any nonprofit environment remains critical.

Discovering Lessons – Boosting Nonprofit Capacity Through Leadership and Infrastructure

The retrospective analysis identified a number of important lessons from the Building Bridges Initiative and other Philanthropy and Volunteerism program efforts to build nonprofit capacity through leadership and infrastructure, including the following:

- To extend the metaphor, bridges need to be built to other funders, employers who hire recent nonprofit program graduates, and other universities.
- Rewards for nonprofit-focused professors are key to increasing research and interest in the field. Similarly, the Building Bridges Initiative identified a need for the development of doctoral-level work in nonprofit management.
- Sustainable structures that connect university-level nonprofit management programs to the community as a whole are essential to prevent these programs from becoming purely “academic.” There needs to be a hybrid approach of both scholarly and applied work.
- Symbolic support from university presidents or provosts is a key component in ensuring institutional stability for university-level nonprofit management programs. In other words, the involvement of real power structures in organizations is vital to sustain curricular change.
- Excellent research has been done on the relationship between nonprofits and government, but less is known about the relationship between nonprofits and business.
- Feedback suggests there is an effective nonprofit sector infrastructure in place on the national level, but more focus is needed at the state nonprofit level.
- National dialogue on the changing roles of all sectors – business, government, and nonprofit – is needed. Nonprofit organizations can have greater impact if they create alliances with government and business.
- A commitment to the process of dissemination can change practice in the field. Programming must pay careful attention to social marketing and how ideas and effective practices are disseminated and adopted.
- Attracting people to the nonprofit sector is difficult, and developing leaders in any nonprofit environment remains critical. Leadership development should be a part of almost any project, program, or initiative.
- Problems that get in the way of nonprofit capacity building include resource challenges and competition between organizations. Nonprofit organizations need to broaden their base of funding at the beginning of a project in order to expand the sources of support later. Sustainability is created as the number of funders interested in philanthropy and volunteerism increases.

Expanding Mainstream Philanthropy

Engaging new audiences in philanthropy has been a priority project of the Philanthropy and Volunteerism program, and the field is witnessing an influx of fresh voices. African-American, Latino, Asian-American, Pacific Islander and Native American designated funds and philanthropic organizations are emerging. Large philanthropic organizations are deepening their commitments to strengthen the sector, as discussed in the 1999 report, “Cultures of Caring: Philanthropy in Diverse American Communities.” Two Philanthropy and Volunteerism initiatives have focused on expanding the scope of mainstream philanthropy to include new groups. One is Emerging Funds for Communities of Color, and the other is investment in women’s philanthropy institutions.

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The **Emerging Funds for Communities of Color** initiative was created to explore how best to support and expand the resources of communities of color. Programming focused on designated funds, philanthropic organizations, and the giving practices of African-Americans, Latinos, Asian-Americans, Pacific Islanders and Native Americans. *Emerging Philanthropy in Communities of Color: A Report on Current Trends*, which focused on these populations, was researched and compiled to educate the Foundation and others in the field. The African-American Legacy Program, part of the Emerging Funds for Communities of Color initiative, was designed to encourage the African-American community to expand on its tradition of charitable giving. The intent was to help individuals leave a legacy by increasing charitable giving, encouraging self-sufficiency, supporting community foundations, and building a legacy for future generations.

Investments in **women’s philanthropy** sought to accelerate the growth of women’s philanthropic institutions. The focus was to strengthen the infrastructure of the women’s philanthropic network through leadership development and organizational capacity building. Grants were made to the following organizations: Women & Philanthropy, Women’s Funding Network, Global Fund for Women, Resourceful Women, and the Michigan Women’s Foundation.

The cluster of women's organizations increased their visibility and legitimized their mission in the field of philanthropy.

Reviewing Results – Expanding Mainstream Philanthropy

The retrospective analysis identified a number of significant results that the Philanthropy and Volunteerism program area and its grantees helped accomplish in the areas of expanding mainstream philanthropy, including the following:

- The Kellogg Foundation formed and deepened partnerships with the Ford, Packard, and Mott Foundations, as well as the Council on Foundations, to *jointly fund the Cultures of Caring report* – one of the most comprehensive publications issued to date on philanthropy in communities of color.
- A thorough search of available data on foundations and communities of color was undertaken, and *new sources of information were gathered* to add to the body of knowledge related to strategies for deepening and solidifying philanthropic practices within diverse cultures. This effort produced several important research documents that will provide more insight to the field about philanthropic traditions within communities of color.
- The Foundation *organized networking meetings among diverse groups* to help foster learning and synergy from joint planning, common interests, and a sense of shared purpose. These meetings confirmed themes across groups and contributed to the findings from the *Emerging Funds for Communities of Color* report.
- African-American Legacy Program staff gave a *presentation on planned giving* at the National Conference on Black Philanthropy. The Legacy Program won a national award for the accomplishments it has made.
- A number of efforts, including Women & Philanthropy, Women's Funding Network, Global Fund for Women, Resourceful Women and Michigan Women's Foundation, were *brought together to form a cluster* (a group of Philanthropy and Volunteerism grantees addressing a common issue), and their executive directors worked collectively to increase understanding of and support for philanthropy by and for women and girls.
- The infrastructure of these women's philanthropic organizations was strengthened, and they *collectively organized and commissioned a monograph series*, producing the most comprehensive and up-to-date analysis of the women's philanthropic movement. The monograph series was publicized and presented at conferences, educating various groups about women in philanthropy and fundraising for women and girls.
- The cluster of *women's organizations increased their visibility and legitimized their mission in the field of philanthropy.*

Looking Back at Results and Lessons

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- The *expanded communications capacity of grantees* led to articles in national publications, as well as stories in other media. Their overall ability to leverage funds from other sources was improved. Promising connections were made within the field, and new partnerships were formed.
- There was *improved internal capacity* to manage funds, track information, and communicate with key constituencies among women’s philanthropic organizations. For example, the Women’s Funding Network created and piloted a financial and organizational database to provide comparative data on women’s funds to members.

Discovering Lessons – Expanding Mainstream Philanthropy

Work in both the Emerging Funds for Communities of Color initiative and women’s philanthropy yielded a number of important lessons for the field, according to the retrospective analysis, including the following:

- When targeting specific populations such as people of color, grant makers should perform a thorough review of the myriad of organizations that have a stake in that population to prevent any groups from being or feeling left out of the process.
- Generosity is learned behavior. Society has depended too heavily on schools, families, and religious institutions to teach the value of giving. It’s necessary for other philanthropic institutions to become involved.
- When culturally sensitive “lenses” are applied to programs, people learn more from the experience. Programming should encourage diversity and be responsive to the needs of diverse groups.
- The majority of leaders in philanthropy now tend to come from a small, nonrepresentative segment of the population (i.e., white middle-class males). Programming should promote a more representative, diverse group of community leaders.
- Evaluation emerged as a valuable tool for strategic planning and implementation.
- The increase of organizational capacity also was discovered to be crucial to the sustainability of the organizations.

There is a vast, untapped potential throughout the nonprofit sector.

If there is one thing this study makes clear, it is that there is vast, untapped potential throughout the nonprofit sector. A major transfer of wealth between generations is already occurring, and that transfer will continue to gain momentum as our population ages. The dollars are significant. Estimates range from a low of \$20 trillion by 2010 to a high of \$136 trillion by 2052. The emergence of Internet-based philanthropy has prompted new strategies for using technology to disseminate knowledge and create virtual networks that are exponential in their influence and reach. New connections among the nonprofit, business, and government sectors have resulted in a blurring of traditional sector boundaries, have created new opportunities for growth, and are revolutionizing the practice of philanthropy. And middle-class and marginalized populations are becoming involved in philanthropy in ever increasing numbers. The growth that is resulting from these trends and changes is already having a significant and beneficial effect on the national and global economy.

We have learned from this study that grantees have a limited knowledge of Philanthropy and Volunteerism program area projects other than their own. They would like to know more, learn from others, and share ideas. We welcome the suggestions from many grantees that the Foundation increase its role as a resource for knowledge sharing, as well as their desire to share their own ideas and connect directly with other grantees. Organizations on the network's fringe have expressed a strong interest in getting to know people with similar interests and objectives.

Katie Goatley and Stephen Gill, the two primary authors of the retrospective analysis, highlighted a number of critical next opportunities on the Philanthropy and Volunteerism program's horizon. Among their most prominent conclusions and recommendations were the following:

- Boosting organizational capacity is an effective way of maximizing resources that are already in place. The Philanthropy and Volunteerism program area should continue to connect theory to practice, generate and disseminate knowledge, and support advocacy. Grantees are also anxious for foundations with common interests to increase their collaboration on issues affecting civil society.
- The Philanthropy and Volunteerism program area should become more involved in public policy, either by raising pertinent issues, or simply by acknowledging that those issues exist. Also, the Foundation could and should help to increase the size and success of constituency groups by helping organizations that have similar policy interests to become acquainted with each other.

- The Philanthropy and Volunteerism program area should continue to increase the access to mainstream philanthropy of new and marginalized groups by convening meetings between them and mainstream philanthropic organizations, as well as by expanding nonprofit sector resources. In addition, grantees would like to share contacts with each other and with the Foundation, as a way to diversify their board membership.
- The Philanthropy and Volunteerism program area should continue to support the evolving role of service-learning. The momentum of the service-learning movement was enhanced by the Philanthropy and Volunteerism program area. It has proven to be one of the areas in which the Foundation as a whole can continue to support national policy, which would serve to further the national movement.
- Leadership development continues to be one of the nonprofit sector's greatest needs. Grantees reported that one of the most important factors making any project successful in the long run is focusing on potential leaders early on, building their capacity throughout the project, and allowing those new leaders to play a substantial role in the continuation of the project.
- The institutionalization of university-based nonprofit management programs is important to nonprofit leaders. As reported by one grantee, "Universities are really in a Darwinian struggle. New [nonprofit] programs face a real struggle for the support of deans." The Building Bridges Initiative has been instrumental in developing many programs, but there is a need to have these programs better integrated within the greater university structure for them to be effective.
- The Kellogg Foundation has been successful in building up the nonprofit infrastructure, especially on a national level, for six decades. There is a need for a focus on the infrastructure building of state groups. The state groups are becoming more critical as devolution plays a greater role in the lives of nonprofit organizations across the nation. The Philanthropy and Volunteerism program area should develop more strategies for sharing information among these organizations and building their overall infrastructure.
- Expanding the use of technology will help advance programs and projects. A great need exists to understand how technology fits into the many projects, topics, and initiatives in which the Philanthropy and Volunteerism program area is involved. One grantee asked, "How do you help them (nonprofits) to use resources that businesses use every day without thinking?" Technological ideas, projects, capabilities, and resources varied greatly among grantees. This theme proved true across all the studied initiatives and projects. A gap needs to be filled, though that gap must be defined in more detail as a first step.

Leadership development continues to be one of the nonprofit sector's greatest needs.

The Philanthropy and Volunteerism program area should develop more strategies for sharing information among these organizations and building their overall infrastructure.

- Finally, there are opportunities for the Kellogg Foundation to streamline its grant making process to make it more user-friendly. “Foundations have become the end, rather than the means,” one grantee put it. Many grantees are outspoken in their praise of the helpfulness and approachability of Philanthropy and Volunteerism program directors, but an equal number report that the Foundation’s grant making process is burdened with “red tape” to the extent that the work of their organizations is hampered.

Once again, the world of philanthropy is changing, and the Philanthropy and Volunteerism program area of the W.K. Kellogg Foundation is striving to change with it. There are new faces in the field today, new forces at work, and new forms of philanthropic activity – resources that the Kellogg Foundation is as determined as ever to fully understand and involve in advancing our mission.

In light of this study, we have increased our resolve to find the key leverage points for maximizing our impact. In particular, we intend to be even more strategic about nurturing leadership, especially in youth, women, and communities of color; promoting and brokering partnerships among diverse people and organizations from all three sectors; creating knowledge and disseminating it to practitioners in the field; and developing the infrastructure organizations that will sustain support for local philanthropy and nonprofit management.

The Kellogg Foundation believes that it has an obligation to provide leadership and innovation to the nonprofit sector, and that it can and will help to build a mutually responsible and just society in the process of doing so. That is our vision, and the Philanthropy and Volunteerism program area will play a key role in helping to unleash the resources that can make it happen. We believe that by maximizing the impact of nonprofit organizations; by working to improve their sustainability; and by expanding the participation of youth, women, and communities of color; we can contribute to the common good of mankind in a very substantial way. We are learning that the world of giving involves everyone – those who give and those who receive are intricately connected. All bring resources and perspectives that enrich the practice of philanthropy. Everyone gives and everyone gains.

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Additional documents were reviewed for this report.

Interview Subjects

Rebecca Adamson, First Nations Development Institute

Emmett D. Carson, The Minneapolis Foundation

William Diaz, formerly of the Hubert Humphrey Institute of Public Affairs,
University of Minnesota

John Edie, John Edie Consulting and formerly of Council on Foundations

David Egner, Hudson-Webber Foundation

Pablo Eisenberg, Georgetown University and formerly of Center for
Community Change

Virginia Hodgkinson, Georgetown University and formerly of
INDEPENDENT SECTOR

Melinda B. Hudson, America's Promise and formerly of Corporation for
National Service

Charles A. Johnson, board of governors, The Center on Philanthropy at
Indiana University and formerly of Lilly Endowment, Inc.

Dorothy Johnson, trustee, W.K. Kellogg Foundation and formerly of the
Council of Michigan Foundations

Miklos Marschall, Transparency International and formerly of CIVICUS

Russell Mawby, chairman emeritus, W.K. Kellogg Foundation

Kathleen D. McCarthy, The Center for the Study of Philanthropy at the
City University of New York

Sara Melendez, George Washington University and formerly of
INDEPENDENT SECTOR

Ricardo Millett, The Woods Fund and formerly of W.K. Kellogg Foundation

Interview Subjects *(continued)*

Ann Mitchell Sackey, Greater Philadelphia Federation of Settlement and formerly of National Council of Nonprofit Associations

Mariam C. Noland, Community Foundation for Southeastern Michigan

Brian O’Connell, Tufts University and founder/former director of INDEPENDENT SECTOR

Judith O’Connor, formerly of BoardSource (formerly known as National Center for Nonprofit Boards)

Michael O’Neill, The Institute for Nonprofit Management at the University of San Francisco and founder/former director of Institute for Nonprofit Organization Management

Robert Payton, board of governors, The Center on Philanthropy at Indiana University

Gordon Raley, Mental Health Association

Dorothy S. Ridings, Council on Foundations

Benjamin R. Shute, Jr., Rockefeller Brothers Fund

Sam Singh, Michigan Nonprofit Association

Marilyn Smith, Communities in Schools and formerly of Corporation for National Service

David Stevenson, National Center for Charitable Statistics

Karin E. Tice, Formative Evaluation Research Associates

Harris Wofford, America’s Promise and formerly of Corporation for National Service

*To help people help themselves through
the practical application of knowledge and
resources to improve their quality of life
and that of future generations.*

W.K. Kellogg Foundation Mission Statement

